

Commonwealth of Kentucky
Division for Air Quality
PROPOSED PERMIT STATEMENT OF BASIS

DRAFT TITLE V PERMIT NO. V-03-031 R1

GALLATIN STEEL CO.

GHENT, KY

OCTOBER XX, 2004

ANDREA RIEGLER, REVIEWER

AI/AFS#: 1449/021-077-00018

ACTION/LOG#: APE200401/56611

BACKGROUND:

On September 15, 2004, the Division issued a preliminary determination on the Title V/Synthetic Minor significant permit revision for the steel mini-mill owned and operated by Gallatin Steel in Ghent, Kentucky. The permit presented with this Statement of Basis is a proposed permit under the Title V program and has been made available for public review and comment. The public comment period for this action ended on October 15, 2004. Comments were received from the source and the public. The Division's response to these comments is attached. With this issuance, all open permit applications have now been addressed. Any modifications must be submitted in their entirety to be considered for review.

In conclusion, a thorough analysis has been made of all relevant information available that pertains to this source. The Division has concluded that compliance with the terms of the permit will ensure compliance with all air quality requirements. Therefore, it is the Division's final determination that a proposed Title V permit should be issued as conditioned.

CREDIBLE EVIDENCE:

The permit described in this document contains provisions that require specific test methods, monitoring or recordkeeping be used as a demonstration of compliance with permit limits. On February 24, 1997, the U.S. EPA promulgated revisions to the following federal regulations: 40 CFR Part 51, Sec. 51.212; 40 CFR Part 52, Sec. 52.12; 40 CFR Part 52, Sec. 52.30; 40 CFR Part 60, Sec. 60.11 and 40 CFR Part 61, Sec. 61.12, that allow the use of credible evidence to establish compliance with applicable requirements. At the issuance of this permit, Kentucky has not incorporated these provisions in its air quality regulations.

DESCRIPTION OF CHANGES TO SECTION B:

0E1/0E2 – Existing Melt Shop

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1. The testing requirements listed under 3.e. were changed. The exhaust rate of SO₂ emissions was previously based on the combined flow through the caster canopy, EAF, 2 DEC and LMF ducts. After further review and based on comments received from the facility, SO₂ emissions are now based on the exhaust flow through the 2 DEC ducts.
2. The visible emission monitoring requirements under 4.c. have been changed to be consistent with the requirements in 4.b.
3. The reporting requirements under 6.b. were changed. Emission rates are to be reported as pounds per ton liquid steel produced as opposed to tons liquid steel tapped as was written in the draft permit.

0S1/0S2, 0B1/0B2 – Miscellaneous Dust

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1. In the description of the emission point, all references to equipment constructed in August 1997 have been removed. The authority to construct this equipment expired during the issuance of the original Title V permit and no extension was granted.
2. The description of the control equipment was changed from “baghouse” to the more accurate “dust collector”.
3. Control equipment operating conditions under 7.a., 7.d., 7.h. and 7.i were changed. The control equipment referenced by these conditions is more accurately a dust collector as opposed to a baghouse.

0EG – Generators

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An error was found in the operating condition listed under 1.a. The maximum allowable diesel fuel sulfur content was changed from 5% to 0.5%.

DESCRIPTION OF CHANGES TO SECTION F:

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The language under 12. describing temporary use of similar emission units while permitted unit are taken off line for maintenance has been removed.